

DANKS HOLDINGS LIMITED

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DANKS IS 'DELIVERING RETAILING EXCELLENCE'

Danks Holdings Limited (DHL), the leading supplier of Hardware and Garden Products to independent hardware and garden centre retailers, has announced strong revenue growth for the first six months of trading. Revenue increased by 19.2% over the same period last year to record a total of \$286.1m including 'one off items'.

Product sales for the six months period were 12.2% ahead of last year and reflected a robust trade (building materials) market, strong hardware sales and retailer support for the promotional programs run by Danks.

Trading profit before tax for the six months (prior to one off items) was up by 9.6% to \$5.67m.

Net profit after tax to December 2003 is \$ 4.84 million, an increase of 33.9% on last year.

The Directors have declared a fully franked interim dividend of 25 cents per share which is payable on 30 April 2004.

Managing Director, Graeme Danks said, "the new initiative of HoME XL, recently launched, is proving to be extremely successful by providing greater customer counts and significant sales increases for retailers who have implemented the concept. Many of our group retailers are showing an enthusiasm to invest in this new merchandising, layout and expanded product offer."

After selling its Danks Steel business in June 2001, DHL recently sold the steel distribution site located on Whitehorse Road in Mitcham (Vic), a property acquired by the group in the 1950s. The Directors feel it is prudent the one-off gain realised from the sale be retained to assist DHL's strong growth'.

The retail brands managed by Danks are HoME Timber and Hardware, Thrifty-Link Hardware and Plant Plus Garden Centres. One of the many benefits of being a group member is the advertising program managed by Danks on behalf of members. These for the first time, are now included in the December result. While this has a negative effect in the first half, it is expected that this change will have little or no effect on the results for the full year ending June 2004.



Results Summary for the six months to December 2003

	2003	2002
Total Revenue \$m	286.1 m	240.0 m
Sales Revenue \$m	258.1 m	230.2 m
Pre-Tax Profit \$m	6.30 m	5.17 m
Net Profit \$m	4.84 m	3.62 m
EPS	74.4 c	55.6 c
Interim Dividend	25.0 c	25.0 c

For further Information:

Graeme Danks

Managing Director

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Danks commenced trading as John Danks & Son Pty Ltd in 1859 and currently operates six hardware Distribution Centres, at Braeside in Melbourne, which services the South Australian, Northern Territory, Victorian and Tasmanian markets, at Huntingwood and Wetherill Park in Sydney which services the Queensland and New South Wales markets, and also at Kewdale and Welshpool in Western Australia.

Danks services the product and marketing requirements of HoME Timber & Hardware, Thrifty-Link Hardware and Plants Plus Garden Centres, a total of more than 730 members, who are all independently owned and operated, plus over one thousand other independent retailers.